

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE APPLICATION OF)	
SYRINGA NETWORKS LLC FOR AN)	CASE NO. SZ9-T-05-1
INVESTMENT TAX CREDIT FOR)	
INSTALLING QUALIFIED BROADBAND)	ORDER NO. 29712
EQUIPMENT)	

On January 26, 2005, Syringa Networks LLC ("Syringa") filed an Application requesting that the Commission find the Company eligible to receive an Idaho Investment Tax Credit. Pursuant to *Idaho Code* § 63-3029I, an Idaho taxpayer may receive a tax credit for installing "qualified broadband equipment" in Idaho. To be eligible for the tax credit, the taxpayer must obtain an Order from the Commission confirming that the equipment has been installed and that it meets the definition of qualified broadband equipment set out in *Idaho Code* § 63-3029I(3)(b). Briefly, qualified broadband equipment must be capable of transmitting signals at a rate of at least 200,000 bits per second (bps) to a subscriber and at least 125,000 bps from a subscriber. In the case of a telecommunications provider, the qualified broadband equipment must also "be necessary to the provision of broadband service and an integral part of a broadband network." *Idaho Code* § 63-3029I(3)(b)(i).

THE APPLICATION

Syringa's Application indicates that the majority of its 2004 expenditures were for the completion of work started in 2002 and 2003, including the installation of its fiber optic cable network, digital switching equipment, SONET multiplexers, testing equipment, modular routers, and supporting power supply and software. Syringa offers high-speed transport, frame-relay, and other related services to and from customers at transmission rates of 1.544 megabits per second (Mbps) and higher. The Company also states that all of its customers are Idaho subscribers. Syringa states that it invested approximately \$447,000 in qualifying broadband equipment during calendar year 2004.

STAFF REVIEW

To implement its responsibilities under *Idaho Code* § 63-3029I, the Commission issued Procedural Order No. 28784 in July 2001. The Order identifies information that must be

included in an Application for broadband credit. Once the information has been filed, then the Commission Staff reviews the Application and submits a recommendation to the Commission.

Staff has reviewed the list of proposed broadband equipment submitted by Syringa. Staff has determined that Syringa is a telecommunications provider and believes that the equipment is “necessary for the provision of broadband services and an integral part of a broadband network.” *Idaho Code* § 63-3029I(3)(b)(i). Therefore, Staff recommended that the Commission issue an Order approving Syringa’s Application.

COMMISSION FINDINGS

Based on review of the Application and Staff recommendation, we find that the Application for a qualifying broadband equipment Order should be granted. Syringa has adequately demonstrated that it has installed the qualifying broadband equipment identified in the Application in conformance with the requirements set forth in *Idaho Code* § 63-3029I. We further find that Syringa is a telecommunications carrier and, as configured, the installed equipment is an integral part of a broadband network necessary to deliver broadband services to Idaho customers. *Idaho Code* § 63-3029I(3)(b)(i). It is therefore appropriate for the Commission to issue this Order confirming that Syringa has installed broadband equipment as a precondition to seeking an Idaho broadband tax credit.

ORDER

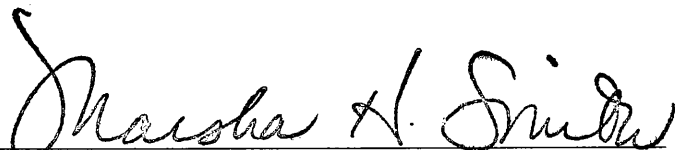
IT IS HEREBY ORDERED that Syringa Networks LLC’s Application for an Order certifying it has installed qualifying broadband equipment is granted.

IT IS FURTHER ORDERED that a copy of this Order and a copy of the Application be served upon the Idaho State Tax Commission.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) may petition for reconsideration within twenty-one (21) days of the service date of this Order with regard to any matter decided in this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. See *Idaho Code* §§ 61-626, 63-3029I(4).

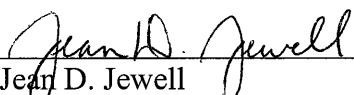
DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 17th
day of February 2005.


PAUL KJELLANDER, PRESIDENT


MARSHA H. SMITH, COMMISSIONER


DENNIS S. HANSEN, COMMISSIONER

ATTEST:


Jean D. Jewell
Commission Secretary

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